

ALARION FINANCIAL SERVICES, INC.

	CPP Disbursement Date 01/23/2009	RSSD (Holding Company) 3382891	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2010 \$ millions	2011 \$ millions	%chg from prev		
Assets	\$302	\$284	-6.0%		
Loans	\$225	\$210	-6.7%		
Construction & development	\$32	\$23	-29.3%		
Closed-end 1-4 family residential	\$61	\$59	-3.7%		
Home equity	\$10	\$10	-4.3%		
Credit card	\$0	\$0			
Other consumer	\$2	\$1	-25.2%		
Commercial & Industrial	\$20	\$19	-4.8%		
Commercial real estate	\$78	\$76	-2.5%		
Unused commitments	\$18	\$15	-16.5%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$49	\$47	-4.3%		
Asset-backed securities	\$0	\$0			
Other securities	\$0	\$3			
Cash & balances due	\$3	\$5	49.5%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$0	\$0			
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$0	\$0			
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$277	\$261	-5.8%		
Deposits	\$252	\$243	-3.9%		
Total other borrowings	\$24	\$18	-26.2%		
FHLB advances	\$21	\$16	-23.8%		
Equity					
Equity capital at quarter end	\$25	\$23	-7.5%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$2	\$0	NA		
Performance Ratios					
Tier 1 leverage ratio	7.6%	6.5%	--		
Tier 1 risk based capital ratio	10.2%	8.9%	--		
Total risk based capital ratio	11.5%	10.2%	--		
Return on equity ¹	-8.7%	-19.5%	--		
Return on assets ¹	-0.7%	-1.6%	--		
Net interest margin ¹	3.2%	3.3%	--		
Coverage ratio {(ALLL+Alloc transfer risk)/Noncurrent loans}}	70.6%	83.5%	--		
Loss provision to net charge-offs (qtr)	46.5%	99.3%	--		
Net charge-offs to average loans and leases ¹	2.8%	2.0%	--		
¹ Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2010	2011	2010	2011	
Construction & development	8.9%	14.0%	2.2%	1.2%	--
Closed-end 1-4 family residential	1.8%	0.4%	0.1%	0.8%	--
Home equity	0.0%	0.0%	5.8%	0.0%	--
Credit card	0.0%	0.0%	0.0%	0.0%	--
Other consumer	1.5%	0.0%	0.0%	0.0%	--
Commercial & Industrial	0.8%	0.3%	1.0%	0.2%	--
Commercial real estate	2.2%	1.0%	0.1%	0.4%	--
Total loans	2.6%	3.1%	0.8%	0.5%	--